

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE:

OPTIMIZED SOLUTIONS, INC.

Debtor.

Case No. 21-07824

Judge Timothy A. Barnes

Trustee Catherine L Steege

NOTICE OF MOTION

TO:

Debtor: Optimized Solutions, Inc., 3819 Tall Grass Drive, Naperville, IL 60564 – via U.S. Mail
Debtor's counsel: David M. Siegel, 790 Chaddick Drive, Wheeling, IL 60090 - via U.S. Mail and ECF

Trustee: Catherine L. Steege, Jenner & Block, 353 N. Clark Street, Chicago, IL 60654 – via US Mail and ECF

PLEASE TAKE NOTICE that on October 18, 2021, at 1:00 p.m., I will appear before the Honorable Timothy A. Barnes, or any judge sitting in that judge's place, and present the motion of Katalyst Technologies, Inc. (a Creditor) for Examination of Debtor, Optimized Solutions, Inc., pursuant to Rule 2004, a copy of which is attached.

This motion will be presented and heard electronically using Zoom for Government.

No personal appearance in court is necessary or permitted. To appear and be heard on the motion, you must do the following:

To appear by video, use this link: <https://www.zoomgov.com/>. Then enter the meeting ID and password.

To appear by telephone, call Zoom for Government at 1-669-254-5252 or 1-646-828- 7666. Then enter the meeting ID and password.

Meeting ID and password. The meeting ID for this hearing is 1613295276 and the password is 433658. The meeting ID and password can also be found on the judge's page on the court's web site.

If you object to this motion and want it called on the presentment date above, you must file a Notice of Objection no later than two (2) business days before that date. If a Notice of Objection is timely filed, the motion will be called on the presentment date. If no Notice of Objection is timely filed, the court may grant the motion in advance without a hearing.

Katalyst Technologies, Inc.
By: Rishi Agrawal
THE AGRAWAL FIRM, LLC
415 North LaSalle Street, Suite 300A
rishi@agrawalfirm.com
312-527-5440

CERTIFICATE OF SERVICE

I, Rishi Agrawal, certify that I served a copy of this notice and the attached motion on each entity shown on the attached list at the address shown and by the method indicated on the list on September 29, 2021, at 5:00 p.m.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS**

IN RE:

OPTIMIZED SOLUTIONS, INC.

Case No. 21-07824

Judge Timothy A. Barnes

Trustee Catherine L Steege

Debtor.

**KATALYST TECHNOLOGIES, INC.'S MOTION FOR EXAMINATION OF
OPTIMIZED SOLUTIONS, INC., DEBTOR, PURSUANT TO RULE 2004**

Katalyst Technologies, Inc. (“Katalyst”), a creditor, by and through its attorneys, The Agrawal Firm, LLC, and in support of its Motion For Examination of the Debtor, Optimized Solutions, Inc. (“Optimized”), pursuant to Fed. R. Bankr. P. 2004, states as follows.

JURISDICITON AND VENUE

1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. § 1334.
2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
3. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
4. The statutory predicate for relief requested herein is §105(a) of the Code, as supplemented by Bankruptcy Rule 2004.

BACKGROUND

5. On June 25, 2021 (the “Petition Date”), Debtor filed its voluntary bankruptcy petition commencing this case under Chapter 7 of the Bankruptcy Code.
6. Prior to the Petition Date, Katalyst obtained a default judgment against Debtor in the Circuit Court of Cook County, case number 20 L 10059. The amount of the judgment is \$110,880 plus \$462.24 for costs.
7. Debtor previously entered into a contract with Katalyst wherein Katalyst agreed to provide IT consultants to work on various projects for Debtor’s clients. Katalyst

provided said services, however, Debtor failed, as it was required to do pursuant to contract, to fully pay for said services. As a result, Katalyst filed suit and obtained the above-referenced judgment.

8. Katalyst, in its efforts to collect on the judgment, filed a Citation to Discover Assets in the Circuit Court of Cook County against Debtor. As part of the Citation proceedings, Katalyst obtained certain financial records and conducted an examination of Sam Reddy, an Owner of Debtor.
9. During the examination, Reddy stated that Debtor paid significant sums to a company named Atlas Computer Consultants, Inc. (“Atlas”). Atlas is owned by Sam Reddy’s wife.
10. As part of the Citation matter, Katalyst issued supplemental document requests and noticed Debtor for an additional examination in order to further evaluate the payments made to Atlas, Reddy’s wife’s company, and determine whether said payments were in fact a fraudulent effort by Mr. Reddy to defraud Debtor’s Creditors.
11. Debtor filed the underlying bankruptcy prior to responding to the supplemental document requests or submitting to an additional examination.
12. In addition, Katalyst has recently learned that Mr. Reddy, the owner of Debtor, has either opened, or otherwise is affiliated with, a new IT company that performs the identical services as Debtor.
13. Debtor’s practice of paying significant sums of money to a company owned by Mr. Reddy’s wife and Mr. Reddy’s association with a newly created IT company that performs essentially the same services as Debtor has raised significant concerns as to whether Debtor is fraudulently attempting to avoid its Creditors.

RELIEF REQUESTED

14. Katalyst wishes to examine the Debtor regarding its payments to Atlas (the company owned by Debtor's Owner's wife) and whether it has essentially transferred its business and services to a separate IT company.
15. Katalyst respectfully requests that this Court enter an order authorizing, but not directing, the issuance of subpoenas and document requests pursuant to Fed. R. Bankr. P. 2004, which would allow and entitle Katalyst to demand the production of documents and conduct examinations, under oath, of Debtor, its owner, Sam Reddy, and any other relevant representatives of Debtor.

BASIS FOR RELIEF

16. Fed. R. Bankr. P. 2004(a) provides that "[o]n motion of a party in interest, the court may order the examination of any entity."
17. Fed. R. Bankr. P. 2004(b) allows "The examination of an entity under this rule or of the debtor under §343 of the Code may relate only to the acts, conduct, or property or to the liabilities and financial condition of the debtor, or to any matter which may affect the administration of the debtor's estate, or to the debtor's right to a discharge..."
18. Fed. R. Bankr. P. 2004(c) provides that "The attendance of an entity for examination and for the production of documents or electronically stored information, whether the examination is to be conducted within or without the district in which the case is pending, may be compelled as provided in Rule 9016 for the attendance of a witness at a hearing or trial..."
19. Katalyst is a party in interest given the default judgment it obtained against Debtor in the Circuit Court of Cook County.

20. Rule 2004, as noted in paragraphs 17 and 18 above, also provides the basis for Katalyst to request documents and examine Debtor, and its representatives, in relation to Debtor's potentially fraudulent payments to Atlas (a company owned by Debtor's Owner's wife) and to determine whether Debtor has fraudulently transferred or conveyed its business and services to another entity.

NOTICE

21. Pursuant to Local Rule 2004-1, Notice of this Motion has been given to: (a) the Debtor; (b) the Trustee – Catherine L. Steege; (c) and, all parties who receive notice via the Court's ECF noticing system.

22. The granting of this Motion will not cause any party to suffer prejudice, while the denial of this Motion would cause Katalyst, and the other Creditors, to suffer great prejudice.

WHEREFORE, Katalyst Technologies, Inc., respectfully requests this Court to grant an order authorizing, but not directing, Katalyst to cause subpoenas and/or document requests to be issued and to conduct an examination of the Debtor, Mr. Sam Reddy, and/or any other representatives of Debtor pursuant to Fed. R. Bankr. P. 2004, upon reasonable notice, and for such other relief as this Court deems just and proper under the circumstances.

Respectfully Submitted,
Katalyst Technologies, Inc.
Creditor

By: /s/ Rishi Agrawal
One of Katalyst's counsel

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